

Program A: Management and Finance

Program Authorization: Act 230 of 1979; Act 390 of 1991

PROGRAM DESCRIPTION

The mission of the Management and Finance Program is to provide both quality and timely leadership and support to the various offices and programs in the Department of Health and Hospitals so that their functions and mandates can be carried out in an efficient and effective manner.

The goal of the Management and Finance Program is to provide overall direction and administrative support to the Department.

OBJECTIVES AND PERFORMANCE INDICATORS

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2000-2001. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

The objectives and performance indicators that appear below are associated with program funding in both the Base Executive Budget and Governor's Supplementary Recommendations for FY 2000-01. Explanatory notes identify the funding category related to individual objectives and/or performance indicators. Specific information on program funding is presented in the financial sections that follow performance tables.

1. (KEY) To provide the direction, management and support necessary to assure that at least 70% of the performance indicators for the Office of Management and Finance meet or exceed their targeted standards.

Strategic Link: This relates to Goal I, Objective 1.1 of the strategic plan: To provide an executive management and support system including Budget, Fiscal management, Financial Management, Financial Research and Planning, Research and Development, Human Resources, Communications and Inquiry Services, Internal Audit, Facility Management, Information Services, Appeals, Material Management , and to operate the Health Education Authority of Louisiana in order to assure compliance with laws and regulations governing the Department...

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Percentage of OMF indicators meeting or exceeding targeted standards	Not applicable ¹	0%	Not applicable ²	Not applicable ³	70%	70%

¹ This performance indicator did not appear under Act 19 and therefore had no performance standard for FY 1998-99.

² This performance indicator did not appear under Act 10 and therefore had no performance standard for FY 1999-2000.

³ This is a new objective, consequently, no information is available in LaPas. In FY 98-99, only one indicator was included for OMF. Due to an executive order (spending freeze), the Department was unable to achieve the desired outcome for this one indicator, so the Department's performance on this one new indicator was 0% for FY 98-99. Performance on this indicator in FY 2000-2001 is projected at 70% based on the small number of OMF performance indicators and the uncertainties brought about by spending freeze and cutbacks.

GENERAL PERFORMANCE INFORMATION					
PERFORMANCE INDICATOR NAME	PRIOR YEAR ACTUAL FY 1994-95	PRIOR YEAR ACTUAL FY 1995-96	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99
Number of OMF performance indicators	Not applicable ²	Not applicable ²	Not applicable ²	Not applicable ²	75%

² This is a new performance indicator.

2. (KEY) Through the Bureau of Appeals, to process 95% of Medicaid appeals within 90 days of the date the appeal is filed.

Strategic Link: This relates to Goal I, Objective 1.1 of the strategic plan: To provide an executive management and support system including Budget, Fiscal management, Financial Management, Financial Research and Planning, Research and Development, Human Resources, Communications and Inquiry Services, Internal Audit, Facility Management, Information Services, Appeals, Material Management , and to operate the Health Education Authority of Louisiana in order to assure compliance with laws and regulations governing the Department...

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
S	Number of Medicaid appeals processed ¹	Not applicable ²	3,147	3,800	3,800 ³	3,200 ⁴	3,200 ⁴
S	Number of Medicaid appeals processed within 90 days of the date that the appeal is filed ¹	Not applicable ²	3,115	3,724	3,724	3,040 ⁴	3,040 ⁴
K	Percentage of Medicaid appeals processed within 90 days of the date that the appeal is filed ¹	Not applicable ²	98.9% ³	Not applicable ⁵	98.9% ⁶	95.0%	95.0%

¹ For the purpose of this report, a "Medicaid Appeal" is defined as a "Blanchard" appeal, which refers to specific court-ordered activities representing the majority of all Medicaid appeals. The number of appeals processed may exceed the number received in a given period due to processing of old pending plus receipts.

² This performance indicator did not appear under Act 19 and therefore had no performance standard for FY 1998-99.

³ This estimate made on October 01, 1998.

⁴ Act 10 standard was based on anticipated program changes which did not occur. This new standard is based on actual program.

⁵ This performance indicator did not appear under Act 10 and therefore had no performance standard for FY 1999-2000.

⁶ Although this is a new indicator, the performance standard can be calculated at 98.9% by dividing the number of Medicaid appeals processed timely (3,115) by the number of appeals processed (3,147).

GENERAL PERFORMANCE INFORMATION					
PERFORMANCE INDICATOR NAME	PRIOR YEAR ACTUAL FY 1994-95	PRIOR YEAR ACTUAL FY 1995-96	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99
Number of appeals received	Not available ²	Not available ²	Not available ²	3,482	3,256

3. (SUPPORTING) Through the Bureau of Legal Services, to provide legal services to the various offices and programs as needed, litigating at least 90% of cases successfully.

Strategic Link: *This relates to Goal I, Objective 1.2 of the strategic plan: To provide legal services to the various offices and program as needed.*

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
S	Percentage of cases litigated successfully	Not applicable ¹	89%	Not applicable ²	97.5%	90%	90%

¹ This performance indicator did not appear under Act 19 and therefore had no performance standard for FY 1998-99.

² This performance indicator did not appear under Act 10 and therefore had no performance standard for FY 1999-2000.

PERFORMANCE INDICATOR VALUES					
PERFORMANCE INDICATOR NAME	PRIOR YEAR ACTUAL FY 1994-95	PRIOR YEAR ACTUAL FY 1995-96	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99
Number of cases litigated	Not available	Not available	Not available	Not available	681 ²
Number of cases litigated successfully	Not available	Not available	Not available	Not available	607 ²
Amount recovered	Not available	Not available	Not available	\$25,521,219	\$6,387,562

¹ It is expected that these numbers will increase during FY 1999-2000 and FY 2000-2001 due to the adoption of a standardized method of data collection.

4. (KEY) Through the Bureau of Protective Services, to complete investigations of assigned reports of abuse, neglect, exploitation and extortion for disabled adults aged eighteen through 59 in accordance with policy and make appropriate referrals for intervention to remedy substantiated cases, and follow up to ensure cases are stabilized.

Strategic Link: This relates to Goal 1, Objective 1.4 of the strategic plan: To complete investigations of assigned reports of abuse, neglect, exploitation and extortion for disabled adults through 59 in accordance with policy, make appropriate referrals for interventions to remedy substantiated cases, and follow up to ensure cases are stabilized through June 30, 2003.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
S	Number of investigation completed	Not applicable ¹	827	850	850	850	850
K	Percentage of investigations completed within established timelines	Not applicable ¹	60%	50%	50%	50%	50%
K	Average number of days to complete investigations	Not applicable ¹	64	50	50	50	50
K	Number of clients served	Not applicable ¹	872	950	950	950	950

¹ This performance indicator did not appear under Act 19 and therefore had no performance standard for FY 1998-99.

² This performance indicator did not appear under Act 10 and therefore had no performance standard for FY 1999-2000.

PERFORMANCE INDICATOR VALUES					
PERFORMANCE INDICATOR NAME	PRIOR YEAR ACTUAL FY 1994-95	PRIOR YEAR ACTUAL FY 1995-96	PRIOR YEAR ACTUAL FY 1996-97	PRIOR YEAR ACTUAL FY 1997-98	PRIOR YEAR ACTUAL FY 1998-99
Number of cases assigned to investigations statewide	Not applicable ¹	Not applicable ¹	Not applicable ¹	Not applicable ¹	966

¹ Not an indicator in prior fiscal years.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$22,514,639	\$23,385,944	\$23,551,638	\$24,679,168	\$24,162,102	\$610,464
STATE GENERAL FUND BY:						
Interagency Transfers	160,000	264,434	1,221,416	309,680	309,680	(911,736)
Fees & Self-gen. Revenues	40,137	89,402	89,402	44,156	44,156	(45,246)
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	1,603,678	2,445,948	2,295,948	2,095,948	2,095,948	(200,000)
TOTAL MEANS OF FINANCING	<u>\$24,318,454</u>	<u>\$26,185,728</u>	<u>\$27,158,404</u>	<u>\$27,128,952</u>	<u>\$26,611,886</u>	<u>(\$546,518)</u>
EXPENDITURES & REQUEST:						
Salaries	\$13,305,266	\$14,557,609	\$14,591,494	\$14,990,821	\$14,591,008	(\$486)
Other Compensation	778,085	646,508	646,508	636,950	636,950	(9,558)
Related Benefits	2,630,713	2,670,704	2,775,617	2,838,027	3,027,690	252,073
Total Operating Expenses	3,880,588	3,309,069	3,779,319	3,824,974	3,557,745	(221,574)
Professional Services	629,341	1,085,815	1,138,755	1,085,815	1,037,460	(101,295)
Total Other Charges	2,518,943	3,638,023	3,514,919	3,340,115	3,348,783	(166,136)
Total Acq. & Major Repairs	575,518	278,000	711,792	412,250	412,250	(299,542)
TOTAL EXPENDITURES AND REQUEST	<u>\$24,318,454</u>	<u>\$26,185,728</u>	<u>\$27,158,404</u>	<u>\$27,128,952</u>	<u>\$26,611,886</u>	<u>(\$546,518)</u>
AUTHORIZED FULL-TIME						
EQUIVALENTS: Classified	375	389	386	386	373	(13)
Unclassified	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>0</u>
TOTAL	<u>380</u>	<u>394</u>	<u>391</u>	<u>391</u>	<u>378</u>	<u>(13)</u>

SOURCE OF FUNDING

The Management and Finance Program is funded from General Fund, Interagency Transfers, Fees and Self-generated Revenue, and Federal Funds. Interagency Transfer means of financing represents funds received from the Department of Education and the Office of Public Health for operation of the Disability Information Access Line (DIAL). Fees and Self-generated Revenues include payments from patients for services based on a sliding fee scale and miscellaneous income, such as funds received from the sale of document copies. The Federal Funds derive from the Developmental Disabilities Grant and the Primary Care Grant.

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$23,385,944	\$26,185,728	394	ACT 10 FISCAL YEAR 1999-2000
			BA-7 TRANSACTIONS:
\$0	\$956,982	0	Addition of the Louisiana Technology Innovations Fund award for Tele-Medicine Project to be implemented in the Office for Citizens with Developmental Disabilities facilities
\$150,000	\$0	0	Programmatic reallocation of the Means of Financing between the Management and Finance and Grants Programs
\$0	\$0	(2)	Transfer of two positions to Medical Vendor Administration on September 21, 1999
\$0	\$0	(1)	Transfer of one position to Medical Vendor Administration on October 7, 1999
\$38,798	\$38,798	0	Transfer of funding from the Office for Addictive Disorders for one position transferred from this agency in Fiscal Year 1999
(\$23,104)	(\$23,104)	0	Transfer of state funds to Medical Vendor Administration to be matched with federal funds and transferred to the Department of Education to fund the School Nurse Coordinator position and related support staff positions
\$23,551,638	\$27,158,404	391	EXISTING OPERATING BUDGET – December 3, 1999
\$207,427	\$207,427	0	Annualization of FY 1999-2000 Classified State Employees Merit Increase
\$211,575	\$211,575	0	Classified State Employees Merit Increases for FY 2000-2001
(\$119)	(\$119)	0	Teacher Retirement Rate Adjustment
\$137,773	\$137,773	0	Risk Management Adjustment
\$308,650	\$362,450	0	Acquisitions & Major Repairs
(\$224,200)	(\$278,000)	0	Non-Recurring Acquisitions & Major Repairs
\$20,340	\$20,340	0	Legislative Auditor Fees
(\$36,636)	(\$36,636)	0	Maintenance of State-Owned Buildings
(\$4,008)	(\$4,008)	0	UPS Fees
\$283,984	\$283,984	0	Salary Base Adjustment
(\$481,932)	(\$481,932)	0	Attrition Adjustment
(\$343,450)	(\$343,450)	(15)	Personnel Reductions
(\$48,355)	(\$48,355)	0	Salary Funding from Other Line Items
\$8,668	\$8,668	0	Civil Service Fees
\$93,566	\$93,566	0	Workload Adjustments - Increase in data line costs
\$16,770	\$16,770	0	Workload Adjustments - Increase in hourly rate for Sheriff Deputies on security detail for state office
\$10,433	\$10,433	0	Workload Adjustments - Increase in WestLaw costs
\$10,022	\$10,022	0	Workload Adjustments - Rent increase in non-state owned buildings
\$0	(\$200,000)	0	Other Non-Recurring Adjustments - Removes the Federal Rural Health Flexibility Grant and associated expenditures
\$0	(\$956,982)	0	Other Non-Recurring Adjustments - Removes funding and expenditures associated with the Louisiana Technology Innovations Fund
\$227,419	\$227,419	0	Other Adjustments - Increase in the number of and costs for retirees electing to participate in the State Group Health Insurance Plans

\$49,800	\$49,800	0	Other Adjustments - Hardware for the implementation of the new ISIS Human Resource System
\$33,068	\$33,068	0	Other Adjustments - Costs of statewide plan for the reallocation of the Human Resource, Information Systems, Purchasing, and Communications Series
\$20,000	\$20,000	0	Other Adjustments - DHH will host the national conference for the National Association of State Health Financial Officers in New Orleans in August of 2000
\$2,500	\$2,500	0	Other Adjustments - Increase in the amount of the total anticipated purchase of supplies from the DSS Warehouse
\$52,262	\$52,262	1	Other Technical Adjustments - One (1) position and related expenditures sent from Medical Vendor Administration for legal services
\$54,907	\$54,907	1	Other Technical Adjustments - One (1) position and related expenditures sent from the Office of Public Health for legal services
\$0	\$0	0	Net Means Of Financing Substitutions - Replaces \$45,246 in Interagency Transfers for Fees and Self-generated Revenues
\$24,162,102	\$26,611,886	378	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$24,162,102	\$26,611,886	378	BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$24,162,102	\$26,611,886	378	GRAND TOTAL RECOMMENDED

The total means of financing for this program is recommended at 98.0% of the existing operating budget. It represents 84.2% of the total request (\$31,596,083) for this program. The major change producing the reduction from the current budgeted level for the recommended budget year is the removal of the grant from the Louisiana Technology Innovations Fund.

PROFESSIONAL SERVICES

\$65,000	Auditing and Provider Relations Services under the Health Care Provider Fee Program
\$15,000	Development of a Central Office Cost Allocation Plan
\$100,000	Information Systems Services department wide for various activities such as upgrades and maintenance of financial management subsystems; training on varying software changes or upgrades; support and maintenance of Local Area Networks (LAN) and Wide Area Networks (WAN); and regional support services
\$500,000	Legal Consulting Services aiding in the development of a reformed Medical Assistance Program for Louisiana
\$45,000	Medical Consultants for issues in Medicaid Appeal Cases

\$120,460	Plethora of Contractual Consultation Service Agreements including, but not exclusively limited to, Shellfish Management, Sanitation Issues as they relate to Shellfish and Oysters, Deaf Interpreters at public forums, et al.
\$42,000	Professional appraisal of DHH facilities used in maximizing the collection of federal funds
\$120,000	Psychiatric Consultants for the review of inpatient psychiatric services admission and utilization and for advisement and testimony aiding the Department on appeals or other pertinent matters
\$30,000	Specialized Legal Services for initiatives such as Copy Rights or Patents for specific programmatic activity based systems, ARAMIS, for example.
\$1,037,460	TOTAL PROFESSIONAL SERVICES

OTHER CHARGES

\$17,900	Continuing Legal Education Classes for Staff Attorneys
\$34,858	Data Processing Training
\$155,000	Rural Health Initiatives provided for by a grant from the U.S. Department of Health and Human Services
\$347,000	Rural Health Critical Access Grant Administration
\$384,692	Legislative Auditor's Office for the performance of financial and program compliance audits
\$1,170,646	Louisiana State Planning Council on Developmental Disabilities, which is housed in the Office of the Secretary, for the statewide provision of a variety of services to the Developmentally Disabled and their families and/or care givers via a contractor network
\$21,863	Miscellaneous Expenditures
\$162,485	Primary Care Grant from the Federal Government providing a means for the State to ensure Health Care Professionals will be in place to meet the needs of the medically underserved population in Louisiana
\$51,480	Prison Enterprises for Janitorial Services
\$2,345,924	SUB-TOTAL OTHER CHARGES

Interagency Transfers:

\$9,703	Capitol Complex Security
\$16,233	Comprehensive Public Employees' Training Program for Staff Participation in Class Offerings
\$59,588	Department of Civil Service for Personnel Services
\$86,000	Department of Civil Service for the Services of Administrative Law Judges
\$58,077	Department of Social Services for Supplies
\$39,225	Department of the Treasury for Banking Service Charges
\$510,000	Department of Transportation and Development (DOTD) for Utilities in East Wing of DOTD Complex which is occupied by the Department of Health and Hospitals
\$50,000	Division of Administration for Publishing Costs of State Register
\$20,000	Division of Administration for the Children's Cabinet per Act 833 of 1997
\$50,919	Maintenance of State-Owned Buildings
\$103,114	Uniform Payroll System Expenses

\$1,002,859 SUB-TOTAL INTERAGENCY TRANSFERS

\$3,348,783 TOTAL OTHER CHARGES

ACQUISITIONS AND MAJOR REPAIRS

\$412,250 Funding for replacement of inoperable and obsolete office and computer equipment

\$412,250 TOTAL ACQUISITIONS AND MAJOR REPAIRS